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4 UNITED STATES DISTRICT COURT
5 WESTERN DISTRICT OF WASHINGTON
6 AT SEATTLE

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8 NORTHWEST TERRITORIAL MINT, INC.,

9 Plaintiff,

10 v.

11 HANGZHOU COOL EAGLE HARDWARE
MANUFACTURING CO., LTD., et al.,

12 Defendants.

No. C11-0694RSL

DEFAULT JUDGMENT AND
PERMANENT INJUNCTION

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14 This matter comes before the Court on “Plaintiff’s Motion for Entry of Default
15 Judgment” against defendant Hangzhou Cool Eagle Hardware Manufacturing Co., Ltd., d/b/a
16 Cool Eagle Mint, d/b/a Chinese Seller, d/b/a Cool Eagle Mint Co. Ltd., d/b/a Cool Eagle
17 Hardware Manufacturing Co. Ltd. Hangzhou (collectively, “Cool Eagle”).

18 Having reviewed the materials submitted and the remainder of the record,¹ the
19 Court finds and orders as follows:

20 a. Cool Eagle has failed to appear in this action and has failed to answer NW
21 Territorial Mint’s complaint (Dkt. # 1). Thus, each averment of the complaint is deemed
22 admitted.

23 b. Based on the allegations of the complaint, the Court has jurisdiction over the
24 parties and the subject matter in this case. Venue in this district is proper.

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26 ¹ This matter can be decided on the papers submitted. Plaintiff’s request for oral argument is
DENIED.

DEFAULT JUDGMENT AND
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1 c. Cool Eagle offers for sale on its website (www.cooleaglemint.com) coins that
2 appear to be identical or substantially similar to coins depicted on NW Territorial Mint's website
3 (www.nwtmint.com). NW Territorial Mint owns copyrights in the original designs of its coins
4 and the photographs of the designs depicted on its website. Cool Eagle admitted in writing that
5 it has copied NW Territorial Mint's original coin designs and infringed NW Territorial Mint's
6 intellectual property rights.

7 d. NW Territorial Mint has established its copyright infringement claim.

8 e. NW Territorial Mint would suffer irreparable harm if a permanent injunction is not
9 entered because Cool Eagle's copyright infringement jeopardizes NW Territorial Mint's
10 competitive position by threatening the loss of prospective customers, goodwill, and reputation.
11 Moreover, NW Territorial Mint and Cool Eagle compete for the same customers in the same
12 markets. By gaining a free ride on NW Territorial Mint's investment in creating its works, Cool
13 Eagle gains an unfair advantage in the marketplace that cannot fully be remedied with an award
14 of damages.

15 f. The balance of equities tips sharply in NW Territorial Mint's favor. Cool Eagle
16 admits it copied NW Territorial Mint's designs. It promised to stop doing so, but continues to
17 copy and sell NW Territorial Mint's designs to customers within NW Territorial Mint's market.
18 The only injury Cool Eagle will suffer if permanent injunctive relief is granted is the loss of
19 market share and profits to which it is not, in equity or at law, entitled.

20 g. Finally, the issuance of a permanent injunction is in the public interest because the
21 United States public has an interest in enforcing United States copyrights. If a person were able
22 to gain a free ride on the investment a copyright holder made to create its works, the copyright
23 holder would lose the incentive to continue to make that investment, which would harm the
24 public.

1 Accordingly, IT IS ORDERED that default judgment and a permanent injunction
2 is hereby entered in NW Territorial Mint's favor and against Cool Eagle.²

3 IT IS FURTHER ORDERED that:

4 1. Cool Eagle, and its affiliates, officers, agents, servants, employees, attorneys and
5 all other persons in active concert or participation with any of them, are permanently enjoined
6 and restrained from copying images or coin designs from NW Territorial Mint or any of its
7 websites.

8 2. Cool Eagle, and its affiliates, officers, agents, servants, employees, attorneys and
9 all other person in active concert or participation with any of them (including but not limited to
10 the owners of the websites accessible at *www.eBay.com*, *www.Amazon.com*,
11 *www.AliExpress.com*, and *www.AliBaba.com*), are hereby permanently enjoined and restrained
12 from displaying, advertising, selling, offering for sale, or otherwise using in any way images or
13 coin designs that were copied from NW Territorial Mint or its website.

14 3. Cool Eagle, and its affiliates, officers, agents, servants, employees, attorneys and
15 all other person in active concert or participation with any of them, are hereby permanently
16 enjoined and restrained from importing, delivering, shipping, or providing "challenge" or other
17 commemorative coins (*i.e.*, coins that are not legal tender) to any person or entity located in the
18 United States or on a United States military base located anywhere in the world except pursuant
19 to the terms stated below in subparagraphs (a) - (c).

20 (a) That before delivering, shipping, or providing coins described in paragraph
21 3 to any person or entity therein described, Cool Eagle must notify NW Territorial
22 Mint and provide a description of all such coins using the same descriptions and
23 photos (including .jpg files) used in its marketing of such coins. Notice shall be
24 provided by email to Joe Beitey at *jbeitey@nwtmint.com* and Michael Atkins at

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26 ² No other complaining party has appeared or shown that Cool Eagle has violated its intellectual
property rights. Plaintiff may not assert the rights of third parties or seek remedies on their behalf.

mike@atkinsip.com or such other persons and/or addresses as NW Territorial Mint reasonably designates.

(b) That NW Territorial Mint shall have until 5 p.m. Pacific Time on the fifth business day from the date of receipt of Cool Eagle’s notice to object to Cool Eagle’s proposed delivery or shipment on the ground that the proposed delivery or shipment contains coins that infringe NW Territorial Mint’s copyrights.

Objections shall be sent to Cool Eagle by email to Andy Sun at *sunhuazheng@cooleaglemint.com* and *service@cooleaglemint.com* or such other persons and/or address as Cool Eagle Mint reasonably designates.

(c) That Cool Eagle Mint shall not deliver, ship, or provide coins described in paragraph 3 to any person or entity therein described if it receives an objection in the manner described in subparagraph (b) unless it first obtains an Order from this Court determining that the proposed delivery or shipment does not contain coins that infringe NW Territorial Mint's copyrights.

4. This Court shall retain jurisdiction for purposes of enforcing this injunction.

Dated this 26th day of March, 2012.

Robert S. Lasnik
United States District Judge